GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:4001
ANSWERED ON:03.05.2007
SETTING UP OF SBUs
Pallani Shamy Shri K.C .

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government proposed to create a new Mega Airline Company and also to set up Special Business Units (SBUs) in various parts of the country;

(b) if so, the details thereof alongwith the locations identified for the same; and

(c) the time by which these units are likely to be set up?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a), (b) and (c): Yes, Sir. The Government has recently approved the merger of Air India and Indian Airlines into a new Company and as a first step, a Company named `National Aviation Company of India Limited` has been incorporated under the Companies Act, 1956. The merger is expected to be completed in a phased manner over the next 2 years.

The new entity will have Strategic Business Units (SBUs) in the areas of integrated passenger service, MRO, Ground Handling, LCC, Cargo and other related activities. The proposed SBUs will have nation-wide operations.